

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Industrial Water Supply – Nagarjuna Sagar Left Branch Canal – Permission for the drawal of 61.20 Mcft of water per year from Palair Channel by M/s Madhucon Sugar and Power Industries, Rajeswarapuram (V), Nelakondapally Mandal of Khammam District for the expansion of the Sugar factory and also Co-generation Plant at Khammam for consumptive – Accorded – Orders – Issued

IRRIGATION & CAD (PW: REFORMS) DEPARTMENT

G.O.Ms.No.120

Date: 16 -09-2009
Read the following:-

From the Chief Engineer, Nagarjunasagar Project Camp Office, Hyderabad Letter.No.CE /NSP/CO/HYD/OT2/AEE.4/WR/2341/275, dated 29.2.2008.

ORDER:-

M/s Madhucon Sugars and Power Industries Limited has represented the Chief Engineer Nagarjunasagar Project that they have purchased M/s Palair Cooperative Sugars Limited at Rajeswarapuram (V) Nelakondapally Mandal of Khammam District and the company has been successful running the factory since it took over and it has given lot of incentives to the cane growers. With the encouragement given by the Company, the cultivation of sugarcane has gone up considerably thereby increasing the availability of sugar cane. In view of the cane availability the Company has proposed to expand the Sugar Mill from 150 TCD to 3500 TCD from the season 2007-08 and intends to set up 65 KPLD Distillery Plant at Khammam. For this purpose, the company has requested the Chief Engineer to accord permission for the drawal of 61.20 Mcft of water from Palair Channel for the expansion of sugar unit at Khammam District.

The Chief Engineer NSP in the reference read above has examined the request of the Company and reported that 6 Mcft of water was already allocated to the then Palair Co-operative Sugars Limited, Rajeswarapuram vide G.O.Ms.No.455, dated 24.12.1983 (which is now taken over by Madhucon Sugar and Power Industries Limited, Rajeswarapuram). The Chief Engineer, NSP has recommended that M/s Madhucon Sugars and Power Industries may be allowed to draw a total of 61.20 Mcft of water from Palair channel from the existing sluice at Km 17.167 for their industries use, after meeting drinking and irrigation demands under Palair channel and requested the Government to accord permission accordingly, subject to availability of water subject to stipulation of conditions.

In the circumstances reported above, Government after careful examination of the matter hereby grant permission for the drawal of 61.20 Mcft of water per annum from Palair Channel under Nagarjunasagar Left Branch Canal System by M/s Madhucon Sugars and Power Industries subject to availability of water, for a period of five (5) years without detrimental to drinking and irrigation needs under the above Irrigation source subject to obtaining of prior permission of A.P.Pollution Control Board by the Firm and also subject to payment of water rate as per G.O.Ms.No.39, I&CAD dt.2.4.2002 for consumptive use or at the rate fixed by Government from time to time, subject to the following terms and conditions

1. The water supply is purely meant for factory purpose and the factory authorities shall give an undertaking to that effect that water will not be used for agriculture purpose and pumping capacity under any circumstances shall not exceed required capacity for which approval is granted. In case of scarcity, they will have no claim over water over Irrigation and drinking water needs and shall not be compensate by the Government whatsoever.
2. The construction of both pumping chamber and leading channel if any, shall be done by the factory authorities at their own cost, subject to the inspection and approval by the departmental officer of the rank not less than the Executive Engineer
3. The factory authorities should make their own arrangements for supplementing water when there is no water in the Palair Reservoir and also during the period of lean years when water in reservoir is not adequate for drinking and irrigation needs, as drinking or Irrigation requirement will have precedence over factory requirement.
4. The factory authorities should pay the water charges at the rate fixed by the Government from time to time and it shall be binding on the factory to pay the water charges at the enhanced rates.
5. The decision of the concerned Executive Engineer, NSLBC Division concerned is final to figure out the water drawn when the meter fails or the meter does not function properly. The operation

of off-take and measuring device shall be under the control of the concerned Executive Engineer, NSLBC

6. The departmental officers reserve the right to enter the premises of the factory or the pumping station at any time for checking the usage of water
7. The sub-soil water should not be drawn during any period without specific permission of departmental officers.
8. Water meters should be erected by the factory authorities at their own cost at the pumping or entry point of departmental canal and should be kept under the control of irrigation authorities (NSP) for the preparation of bills etc., and the maintenance charges of the equipment shall be borne by the factory authorities.
9. The cost of construction and maintenance of works such as pump house, intake delivery system pumps, electrical lines, approach road to the pump etc., shall be borne by the factory authorities duly obtaining necessary permission from the concerned departments.
10. The factory authorities cannot claim any right for supply of water during closure period of canals and if supply is not available due to reasons beyond the control of the department in other periods also
11. The Government reserves the right to reduce the quantity of water agreed for supply or altogether / cancel the permission for reasons to be recorded in writing and such reductions / cancellation shall not be questioned by the factory.
12. The factory authorities themselves responsible for enough storage arrangements to draw and store required water for the factory during the closure period of canals depending upon availability of water after meeting drinking and irrigation needs under the NS canal system and Palair channel. No water will be released during closure period for industrial use either from Palair Balancing Reservoir or NS Reservoir.
13. Further terms and conditions become necessary as and when arise, they will be imposed in due course and shall be binding on the factory authorities
14. If water is drawn for at least 120 days in a year, the charges would be levied for the total quantum of water permitted to be drawn during the year.
15. Any violation of the above firms and conditions will entail the cancellation of the permission.

The Chief Engineer, Nagarjunasagar Project is requested to take necessary action and conclude agreement with the Firm stipulating the above conditions and ensure that the Firm should pay the water charges as per G.O.Ms.No.39 I&CAD dated 2.4.2002 for consumptive use promptly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**ADITYANATH DAS
SECRETARY TO GOVERNMENT**

To

The Chief Engineer Nagarjunasagar Project,
Camp Office: Jalasoudha Building, Hyderabad.
Copy to:-
The Superintending Engineer NSLBC O&M Circle, Tekulapally, Nalgonda
Stock file / Spare

// Forwarded by order//

Section Officer